
By: **Delegates Hixson, C. Davis, Gordon, Healey, Howard, Marriott, and
Patterson**

Introduced and read first time: February 19, 2004

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Services**

3 FOR the purpose of altering the definition of "taxable service" under the sales and use
4 tax to impose the tax on certain services; exempting from the tax the sale of
5 certain services by a political subdivision of the State; and generally relating to
6 the sales and use taxation of certain services.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 11-101(k)
10 Annotated Code of Maryland
11 (1997 Replacement Volume and 2003 Supplement)

12 BY adding to
13 Article - Tax - General
14 Section 11-230
15 Annotated Code of Maryland
16 (1997 Replacement Volume and 2003 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Tax - General**

20 11-101.

21 (k) "Taxable service" means:

22 (1) fabrication, printing, or production of tangible personal property by
23 special order;

24 (2) commercial cleaning or laundering of textiles for a buyer who is
25 engaged in a business that requires the recurring service of commercial cleaning or
26 laundering of the textiles;

- 1 (3) cleaning of a commercial or industrial building;
- 2 (4) cellular telephone or other mobile telecommunications service;
- 3 (5) "900", "976", "915", and other "900"-type telecommunications service;
- 4 (6) custom calling service provided in connection with basic telephone
5 service;
- 6 (7) a telephone answering service;
- 7 (8) CABLE TELEVISION, INCLUDING pay per view television service;
- 8 (9) credit reporting;
- 9 (10) a security service, including:
 - 10 (i) a detective, guard, or armored car service; and
 - 11 (ii) a security systems service;
- 12 (11) a transportation service for transmission, distribution, or delivery of
13 electricity or natural gas, if the sale or use of the electricity or natural gas is subject
14 to the sales and use tax; [or]
- 15 (12) a prepaid telephone calling arrangement;
- 16 (13) A MOTOR VEHICLE MAINTENANCE OR REPAIR SERVICE, INCLUDING:
 - 17 (I) A MOTOR VEHICLE MAINTENANCE OR REPAIR SERVICE
18 CONTRACT OR EXTENDED WARRANTY CONTRACT;
 - 19 (II) MOTOR VEHICLE WASHING AND WAXING SERVICES;
 - 20 (III) ROAD SERVICE AND TOWING SERVICE; AND
 - 21 (IV) MOTOR VEHICLE PAINTING, RUSTPROOFING, AND
22 UNDERCOATING;
- 23 (14) A PARKING FACILITY OR SERVICE;
- 24 (15) A BARBER OR BEAUTY SERVICE;
- 25 (16) A TANNING, MASSAGE, OR PHYSICAL FITNESS FACILITY OR SERVICE;
- 26 (17) A DOCKING OR LANDING SERVICE;
- 27 (18) A FUNERAL SERVICE;
- 28 (19) A STORAGE SERVICE, INCLUDING HOUSEHOLD GOODS STORAGE,
29 MINISTORAGE, AND COLD STORAGE;

- 1 (20) SHOE REPAIR;
- 2 (21) A TAX PREPARATION SERVICE;
- 3 (22) A SAUNA OR STEAM BATH FACILITY OR SERVICE;
- 4 (23) A WEIGHING MACHINE SERVICE;
- 5 (24) A PUBLIC LOCKER RENTAL OR SERVICE;
- 6 (25) A DATING OR ESCORT SERVICE;
- 7 (26) A DIETING SERVICE;
- 8 (27) A DIRECT MAIL ADVERTISING SERVICE;
- 9 (28) A COMMERCIAL PHOTOGRAPHIC OR ART SERVICE;
- 10 (29) A STENOGRAPHIC SERVICE;
- 11 (30) AN EXTERMINATING SERVICE;
- 12 (31) A PERSONNEL SUPPLY SERVICE, INCLUDING:
 - 13 (I) AN EMPLOYMENT AGENCY SERVICE; OR
 - 14 (II) A TEMPORARY HELP SERVICE;
- 15 (32) A MANAGEMENT, MANAGEMENT CONSULTING, PUBLIC RELATIONS,
16 OR OTHER BUSINESS CONSULTING SERVICE;
- 17 (33) A TESTING LABORATORY SERVICE;
- 18 (34) A SIGN PAINTING SERVICE;
- 19 (35) AN INTERIOR DECORATING SERVICE;
- 20 (36) AN AUCTIONEERING SERVICE;
- 21 (37) A BUSINESS BROKERAGE SERVICE;
- 22 (38) A DRAFTING SERVICE;
- 23 (39) AN INDEPENDENT LECTURE BUREAU SERVICE;
- 24 (40) A PRINTING BROKERAGE SERVICE;
- 25 (41) A NOTARY PUBLIC SERVICE; OR
- 26 (42) A SHOP WINDOW DECORATING SERVICE.

1 11-230.

2 THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF A PARKING FACILITY
3 OR SERVICE BY A POLITICAL SUBDIVISION OF THE STATE.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
5 effect July 1, 2004.